

LOAN COMMITTEE MEETING
February 16, 2017

- PRESENT:** Felicia Dell, York County Board of Commissioners; Fiona Eyster, York Traditions Bank; Amy Hampson, HealthChoices Management Unit; Tom Hoover, York County Controller's Office; Bill Koons, Presbyterian Senior Living; Heather Kreiger, ROCK Commercial Real Estate; Jessica Mockabee, York County Human Services; Bruce Rebert, Chairman; Mark Shea, Area Agency on Aging
- ABSENT:** Jerry Austin, Commercial Industrial Appraisal Services
- STAFF:** Dory Brannon, Housing Chief; Michelle Trout, Development Specialist; Wade Gobrecht, Information Systems Chief
- SOLICITOR:** Kurt Blake, Esquire (Absent)

Call to Order

Bruce Rebert called the meeting to order at 10:05 a.m.

Approval of Minutes

Fiona Eyster made a motion to approve the meeting minutes for January 2017. The motion was seconded by Bill Koons and carried unanimously.

Update on proposed sale of Shelter properties

Dory Brannon reported that she has been in contact with representatives from the Shelter Group and Enterprise Homes as details emerge about their plans for the three York County HOME projects that will be part of the sale. Enterprise will enter the existing partnership at York Commons but will not request any changes to the loan terms. For Park View at Manchester Heights and Park View at Tyler Run, their goal is to buy the properties outright and satisfy the County debts. Dory advised them that pre-payment of the loans will not release the HOME Program affordability period or deed restrictions. Enterprise will get back to Dory on their final decision.

Update on 219 Baltimore Street

Dory Brannon reported that bid opening for demolition is scheduled for Friday, February 17th. Hanover Borough hopes to select a contractor and begin the work by mid-March. Upon completion of the demolition, the lots will be transferred to York Area Development Corp. (YADC) for the development of four (4) new townhomes. She also reported that the owner of 229 Baltimore Street has now rented that property, so YADC is no longer pursuing that sale due to relocation requirements. Therefore, a portion of the rear parcel at 227 Baltimore St. will be deeded back to the owner of 229 and a right of way easement will be granted for the purchaser of the adjacent lot.

Update on M'Calister Inn

Dory Brannon reported that the specifications for the elevator repairs are complete and are under review by the County, the architect and the Owner. Once approved, the work will go out for bid. The Housing Authority is still pursuing acquisition of the M'Calister and has applied for funding from numerous sources to complete the necessary capital improvements.

Discussion about future strategy for spending HOME allocations

Dory Brannon presented an outline of strategies for review and discussion by the loan committee. Due to reduced allocations and shorter timeframes to commit and expend HOME funds, combined with the challenges faced by developers to find viable projects, staff recommends that the County take a more proactive approach to using its HOME allocations. The recommended target initiatives include:

- “Pocket Projects”: Acquire and redevelop blighted properties and/or selected vacant properties on the County’s repository list
- Reinvest in our existing rental housing portfolio for rehabilitation or capital improvements
- New construction of affordable rental housing and/or homebuyer units
- Implement a Tenant-Based Rental Assistance (TBRA) to be used in conjunction with other County-funded programs
- Continue the York Homebuyer Assistance Program (YHAP)

Wade Gobrecht, Information Systems Chief for the Planning Commission presented a repository map showing parcels that could be targeted for acquisition and development. Sites can be filtered by size, location, proximity to employment opportunities, transit, amenities, services, etc. There was a brief discussion about desired areas and other criteria that may be used to determine potential sites.

Ideally, efforts would be focused in areas where there is already a County investment in public improvements, such as those funded by the Community Development Block Grant (CDBG) program. CDBG funds can be used to clear blighted properties like the sites being considered for homebuyer projects in Wellsville and Goldsboro. This approach will enable the County to help municipalities turn vacant properties into tax income-producing properties. It could also work well with other programs, such as the York Homebuyer Assistance Program and direct homebuyer subsidy. Staff will gather more details and site pictures for review at the next meeting.

Other Business:

Dory Brannon provided some background into a situation involving the Housing Initiatives Community Development Corporation (HICDC), an entity owned by the YMCA of York. In 2006, HICDC was granted a pre-development loan from the County using Brownfields for Housing funds from the Department of Community and Economic Development (DCED) and Affordable Housing Trust Funds (AHTF). These funds were used to acquire two sites located at 300 Kings Mill Road and 335 W. Maple Street. The proposed “Kings Mill” project was for the development of eleven (11) affordable homebuyer units. However, HICDC was unable to obtain the additional PHFA funding that was needed to complete the project. They later sold one of the lots and were granted permission to retain the proceeds for the development of the other site. That site was never developed, and now they have an offer to sell it. HICDC has agreed to return the balance of the sale proceeds from both lots to the County. However, due to a severe decline in the appraised property values, the combined proceeds are not sufficient to satisfy the debt. HICDC is asking to be released from the DCED grant conditions. The County will apply the proceeds to the DCED loan and request permission to use the funds for another Brownfields eligible project, but Brownfields funds are not forgivable, so HICDC cannot be released until the County is. In the meantime, HICDC has submitted a written request for forgiveness of the AHTF portion of the loan.

The loan committee requested additional partnership information before they will consider the request for forgiveness. Dory will gather the necessary details for review at the next meeting.

Adjournment

Mark Shea made a motion to adjourn the meeting at 10:55 a.m. The motion was seconded by Fiona Eyster and carried unanimously.